



# How do you understand your risk and optimize your capital?

Unlock the insights and agile strategies  
you need to put your capital to work

FIS



## Volatile macroeconomic and geopolitical risks. Fragmenting supply chains. The financial impact of climate risk.

The challenges facing banks continue to get more complicated and frequent. Yet you still have to maintain your earnings, liquidity and capital efficiency, meet regulatory demands and avoid balance sheet surprises. Leading banks are harnessing the power of technology to put their capital to work – are you doing the same?

**“Geopolitical risk levels have surged to 50% above the post-global financial crisis average, and uncertainty surrounding trade policy has risen to more than eight times its average since 2021.\*”**

Piero Cipollone, Member of the ECB’s Executive Board

FIS® Balance Sheet Manager gives risk leadership the means to evaluate and address all these challenges. It’s an integrated, comprehensive and flexible solution that helps you manage, evaluate, control and stress test all types of financial risk – including new types of risk, such as climate, physical and transition risks – in one holistic platform.

Balance Sheet Manager breaks down the silos between finance, risk and treasury to centralize interest rate, liquidity, credit loss and capital, giving you an enterprise view of risk and the insights to fully plan for any risk threats or opportunities.

With our modular framework, you can get a detailed, holistic view of the behaviour of your institution’s key risk metrics – and understand how potential changes to operating conditions would impact the firm’s financial and regulatory metrics.

The asset liability management committee (ALCO) and finance, risk and treasury executives have the data to support forward-looking, board-level, strategic decision making, including meeting the needs of firm-level and regulatory-driven stress and scenario testing. And with Balance Sheet Manager’s cloud-based framework, you can easily and cost-effectively scale the platform as your internal reporting needs change or when market changes could affect your firm’s financial risk outlook.

Suitable for Tier 1 to Tier 5 financial institutions, Balance Sheet Manager helps more than 400 clients globally and across multiple supervisory jurisdictions get the insights, agility and precision they need to unlock their capital, empower their teams and satisfy regulators.

### The conundrum

Financial institutions need to model the impact of potential changes, consider the right strategies to mitigate risk, and drive business value out of the process. And they need to do it both fast and with enough granularity to fully analyze all possible impacts and make the best decisions. But banks are often hamstrung by legacy approaches: tactical model solutions, informal workarounds using Excel and end user developed applications. This translates into siloed activity and old risk systems that are slow to pivot and respond, especially at today’s rate of change.

This is leading to a widening expectation gap between the firm’s “stewards of the balance sheet,” and the regulator and other stakeholders. This is particularly apparent in enterprise-wide stress testing, the Internal Capital Adequacy Assessment Process (ICAAP), and in recovery and resolution planning. In each of these areas, any failure to control and adequately assess risk holistically can lead to regulatory add-ons under Pillar 2 that are costly and difficult to remove.

**“Stress testing frameworks must evolve to capture emerging risks, including those from climate change and geopolitical instability.”**

BIS Stress Testing Principles, 2024

\*Navigating a fractured horizon: risks and policy options in a fragmenting world, 2025



## Financial institutions under pressure

**Regulators** are now laser focused on the interdependencies between risk types. They're asking for more integrated and agile risk management, better quality of risk models and measurement systems, stronger governance around models and more alignment to risk governance frameworks.

**Boards** are demanding better, more insightful and more timely analysis along the whole and ongoing stress continuum.

**CFOs** must maintain earnings and dividends but also drive more value from internal functions, especially finance. This means unlocking operational data for enterprise use, building more macroeconomic and behavioural factors into forecasts, and defining metrics that will help the enterprise increase efficiency and productivity.

**CROs** play a crucial role in identifying, assessing, mitigating and monitoring risks. And as risks become more complex and interconnected, their role is evolving into a strategic, technology-driven leadership position that influences corporate decision-making at the highest levels. CROs must proactively monitor and analyze risks from both a compliance perspective and as an influence on business resilience and growth.

**CDOs and CTOs** work with the CRO to gain a holistic understanding of risk through a connected and contextual view of customers and counterparties. They, too, are under pressure to deliver higher quality internal services at a lower operational cost – and with more responsiveness and greater accuracy and completeness.

## Bringing harmony to the balance sheet

With FIS Balance Sheet Manager, you can close the expectation gap, break down silos and put your capital to work with a scalable and future-proof balance sheet management framework.

We digitize your risk analysis framework and modernize your risk infrastructure, models and measurement systems, giving you a solution that isn't just about reporting – it's about planning for strategic goals, too.

With Balance Sheet Manager, you can:

- See a holistic and transparent view of the balance sheet and risks at an enterprise level.
- Get a consistent and granular view of key risks that are inherent in the business model and current and future balance sheet – and how they may evolve.
- Quickly stress, slice, dice and pivot the balance sheet by risk factors and then view the impact on other risks and key business and regulatory metrics.
- Re-assess broader risks and opportunities in a rapidly changing operating environment and choose the best responses for your business.
- Increase trust in the underpinnings of measuring exposure, reporting against limits and re-validating of risk appetite.
- Increase your agility in delivering regulatory change and remediation, fully discharge regulatory, compliance and fiduciary duties, and gain business value from your compliance investments.

Balance Sheet Manager employs industry best practices for strategic balance sheet management processes and holds a rich history of consistent management information, so you can avoid the cost of sourcing data multiple times or building other data marts from scratch.

Run standard reports or create your own customized ones, and access web-based dashboards. Whatever your preference, you get a granular view of risk for more informed decision making – at a pace that integrates with your corporate reporting systems.





## Unlock strategic balance sheet optimization

The ICAAP is among the most stringent regulatory requirements confronting banks. But it can also drive business value – if you adopt an enterprise perspective through integrated data management and centralized technology.

With Balance Sheet Manager, you can derive insights, add business value and stabilize earnings. You gain a holistic and proactive enterprise risk planning and stress testing process that encompasses management strategy across the stress continuum, including recovery and resolution planning.

Senior management get the intelligence and agility to respond swiftly and effectively to business and economic changes, comprehend the long-term capital implications for the entire organization and stay ahead of challenges to their business plans.

## Unlock operational efficiency, insight and business value

Challenge	Solution	Result
<b>Siloed data and locked-up capital</b>	Automate and centralize the ICAAP	Generate more current and consistent analysis, reduce the likelihood of regulatory buffers, and enhance your overall return on equity
<b>Slow processes and outdated analysis</b>	Increase the speed and accuracy of the ICAAP	Enhance efficiency, quickly grasp the impact of new developments and potential changes, and get the agility to capitalize on growth opportunities
<b>Increasing complexity and risk</b>	Scale as your needs change with cloud computing	Easily accommodate new risk calculations and enterprise-wide stress testing, seamlessly integrate M&A activities with ICAAP implications, and maintain optimal performance and cost efficiency



## Unlock flexibility

With Balance Sheet Manager's modular structure, you can implement a consistent, modern, scalable risk framework for enterprise management of the balance sheet over time and through a single application. Just choose the modules that work for your business.

Module	Features
<b>ALM</b> <ul style="list-style-type: none"> <li>• IRRBB/CSRBB-compliant</li> <li>• Maturity mismatch</li> <li>• Cash flows</li> <li>• EVE sensitivities</li> <li>• NII – Earnings simulation</li> <li>• What-if analysis and simulation</li> </ul>	<p>Meet international and national regulatory reporting requirements with our deep and extensive modelling, scenario and simulation capabilities.</p> <p>Construct multiple behavioral-based models, shock multiple risk factors, forecast the future balance sheet and income statement projections, and drill-down to single account/position level for traceability.</p>

Module	Features
<b>Funds Transfer Pricing (FTP)</b> <ul style="list-style-type: none"> <li>• Fully ILAAP-compliant</li> <li>• Stress, forecast, value and simulate FTP</li> <li>• Incorporate the true costs of liquidity and funding and capital</li> <li>• Firm-specific/product FTP curves</li> <li>• What-if analysis and simulation</li> </ul>	<p>Establish a comparable, transparent and compliant profitability measurement system, correctly incorporate the true costs of liquidity, funding and capital into the overall internal funding price, and define the right incentives across the profit centers and products to drive sustained profitability.</p>

Module	Features
<b>Stochastic ALM</b> <ul style="list-style-type: none"> <li>• Earnings at risk (EaR)</li> <li>• Economic value at risk (VaR)</li> <li>• Economic capital</li> <li>• Drill-downs to single position level</li> <li>• What-if analysis and simulation</li> </ul>	<p>Overcome the subjectivity embedded in every user-defined interest rate forecast by using term structure models or historic simulation to generate a large number of future interest rate paths.</p> <p>The paths are then combined with defined balance sheet assumptions to calculate a distribution of possible earnings and market values.</p>

Module	Features
<b>Liquidity risk</b> <ul style="list-style-type: none"> <li>• Basel- and National supervisor-compliant</li> <li>• ILAAP-compliant</li> <li>• LCR/NSFR/RDR</li> <li>• Stress, forecast, value and simulate liquidity and key ratio</li> <li>• What-if analysis and simulation</li> </ul>	<p>Gain a 360° view of liquidity risk, including a full simulation of forward/forward liquidity and compute liquidity risk-specific metrics and indicators.</p> <p>Use balancing and formula-driven rules to determine future funding optimization, assess impact of encumbrance, haircuts and counter-measure deployment to re-validate the continued viability of contingent funding plans.</p>

Module	Features
<b>Market risk</b> <ul style="list-style-type: none"> <li>• Historical VaR</li> <li>• Parametric VaR</li> <li>• Monte-Carlo VaR</li> <li>• Shortfall VaR (expected shortfall)</li> <li>• Marginal VaR</li> <li>• Incremental VaR</li> <li>• What-if analysis and simulation</li> </ul>	<p>Quantify and monitor market risk across both trading and the banking book. You can identify and evaluate market risk wherever it originates, reliably measuring and proactively managing the institution's risk exposure.</p>

Module	Features
<b>Credit Value at Risk</b> <ul style="list-style-type: none"> <li>• VaR</li> <li>• Expected Loss (EL)</li> <li>• Expected Shortfall (ES)</li> <li>• PD, EAD, &amp; LGD</li> <li>• Rating migration models</li> <li>• Concentration risks</li> <li>• What-if analysis and simulation</li> </ul>	<p>Assess and manage credit risks in a portfolio. Calculate the unexpected loss of a credit portfolio and estimate the required capital to support against such risks.</p>

Module	Features
<b>Hedge accounting</b> <ul style="list-style-type: none"> <li>• IASB-/IFRS-compliant</li> <li>• Hedge adjustments</li> <li>• P&amp;L entry</li> <li>• Effectiveness testing</li> <li>• What-if analysis and simulation</li> </ul>	<p>Achieve accounting compliance under IAS 39 and IFRS9, as well as the expected industry adoption of the dynamic risk management approach with full coverage of hedge accounting requirements for micro and portfolio fair value hedging.</p> <p>Stress test the balance sheet and understand the impact of your hedge relationships on income and reserves.</p>

Module	Features
<b>IFRS 9 impairment</b> <ul style="list-style-type: none"> <li>• What-if analysis and simulation</li> <li>• ECL planning and stress testing</li> <li>• Credit-adjusted ALM, ICAAP, cost of risk</li> </ul>	<p>Support the entire spectrum of IFRS 9 impairment and impairment-related processes. Facilitate the calculation of booking and disclosure-relevant impairment information in a timely and reliable manner.</p>

Module	Features
<b>P&amp;L planning</b> <ul style="list-style-type: none"><li>• Income forecasting</li><li>• Capex and OpEx forecasting</li><li>• Taxes, dividends and retained earnings</li><li>• What-if analysis and simulation</li></ul>	Support financial and capital planning for your future balance sheet by comprehensively forecasting the income statement, including dividends and retained earnings and reserves.

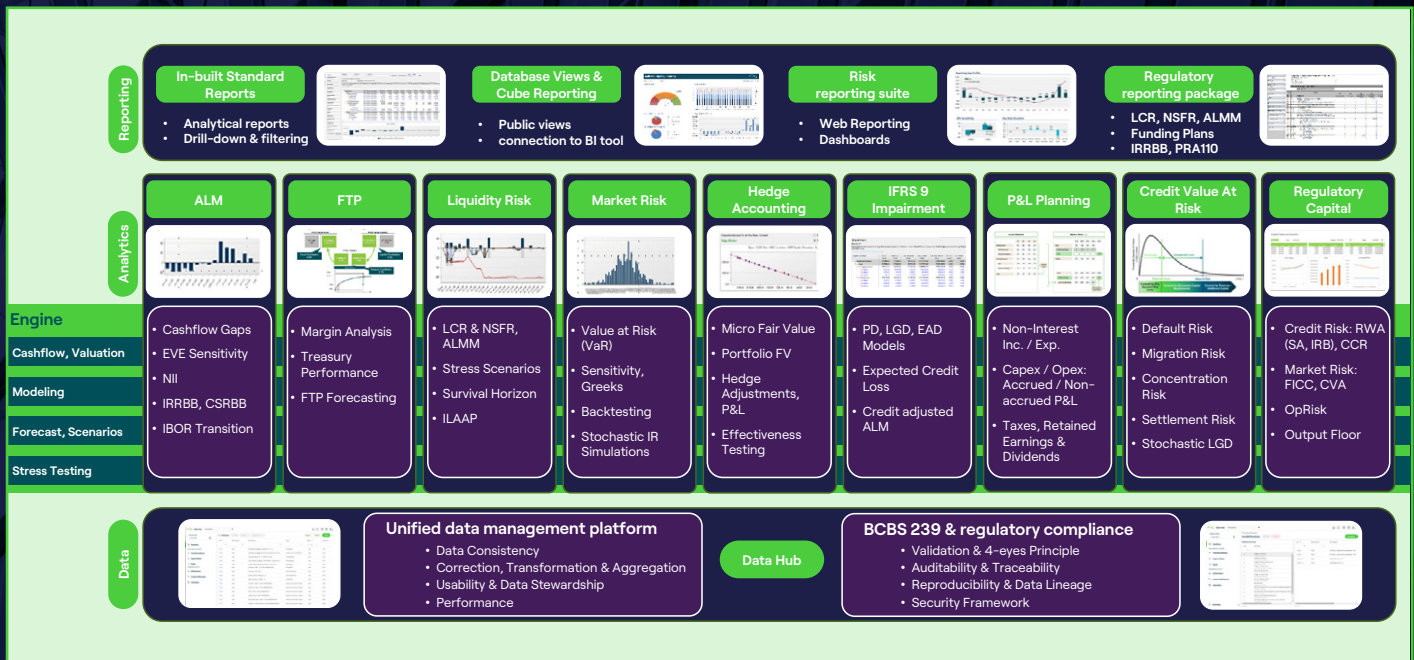
Module	Features
<b>Capital management</b> <ul style="list-style-type: none"><li>• RWAs (CRR2 and CRR3)</li><li>• Economic capital</li><li>• Regulatory capital</li><li>• What-if analysis and simulation</li></ul>	<p>Support capital planning activities, including scenario and stress testing for the ICAAP across Pillar 1 and Pillar 2.</p> <p>Choose from multiple approaches to the calculation and flexing of risk weighted assets (RWAs) and related collaterals for capital and ICAAP/CCAR analytics.</p>

Module	Features
<b>Data hub</b> <ul style="list-style-type: none"><li>• BCBS 239-ready</li><li>• Rule-based corrections</li><li>• Flexible attributes management</li><li>• Aggregation rules</li><li>• Segregation of duties</li></ul>	Consolidate position data from various sources and correct, transform and aggregate it to integrate with FIS risk engines – with complete transparency on any data adjustments, aggregations and assumptions with full audit trail and change control.





## FIS Balance Sheet Manager – overview



## Bring harmony to your balance sheet management

- A fully integrated and scalable risk management framework that you can build out over time and quickly adapt as your business grows
- Best-of-breed risk modelling within a single product wrapper and a web friendly front-end
- A variety of cloud deployment options – including fully managed elastic computing capabilities, full environment support, disaster recovery and managed upgrade services – for truly high-performance computing and a lower cost of ownership
- Over 30 years of experience, customer support and development expertise that has helped customers navigate multiple market crises, economic, credit and interest rate cycles, and regulatory changes
- A development roadmap that's informed by evolving regulations and customer needs well as continual investment in R&D
- Complementary global professional services support from FIS and our alliance partners

Put your capital to work with Balance Sheet Manager.  
Talk with us today.



# Money at rest Money in motion Money at work™

FIS Balance Sheet Manager helps you manage risk to protect shareholder value, expand your balance sheet and drive growth by making money work harder.

Our **technology** powers the global economy across the money lifecycle.

## Money at rest

Unlock seamless integration and human-centric digital experiences while ensuring efficiency, stability, and compliance as your business grows.

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## Money in motion

Unlock liquidity and flow of funds by synchronizing transactions, payment systems, and financial networks without compromising speed or security.

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## Money at work

Unlock a cohesive financial ecosystem and insights for strategic decisions to expand operations while optimizing performance.

## About FIS

FIS is a financial technology company providing solutions to financial institutions, businesses and developers. We unlock financial technology that underpins the world's financial system. Our people are dedicated to advancing the way the world pays, banks and invests, by helping our clients confidently run, grow and protect their businesses. Our expertise comes from decades of experience helping financial institutions and businesses adapt to meet the needs of their customers by harnessing the power that comes when reliability meets innovation in financial technology. Headquartered in Jacksonville, Florida, FIS is a member of the Fortune 500® and the Standard & Poor's 500® Index. To learn more, visit [FISglobal.com](https://fisglobal.com). Follow FIS on LinkedIn, Facebook and X (@FISglobal).

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